

AMENDED IN ASSEMBLY JULY 13, 2011

AMENDED IN ASSEMBLY JUNE 29, 2011

SENATE BILL

No. 225

Introduced by Senator Simitian

(Principal coauthor: Assembly Member Achadjian)

February 9, 2011

An act to amend Section 44559.11 of, and to add Section ~~44559.10~~ to 44559.12 to, the Health and Safety Code, relating to the California Pollution Control Financing Authority.

LEGISLATIVE COUNSEL'S DIGEST

SB 225, as amended, Simitian. California Pollution Control Financing Authority: Capital Access Loan Program.

The California Pollution Control Financing Authority Act establishes the Capital Access Loan Program for small businesses, administered by the California Pollution Control Financing Authority, which provides loans through participating financial institutions to qualifying small businesses. The authority is required to create a loss reserve account for each financial institution. *The act authorizes the authority to enact regulations for the distribution of specified funds paid to the authority.*

This bill would authorize the authority to establish loss reserve accounts for the purposes of *financing* terminal rental adjustment clause; ~~as defined~~, leasing, if funds are available for contribution into the loss reserve account from any source other than the authority. *The bill would prohibit, for purposes of the loss reserve accounts for terminal rental adjustment clause leasing, the use of funds provided by the federal government for the purposes of providing a loan loss reserve program.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 44559.11 of the Health and Safety Code*
2 *is amended to read:*

3 44559.11. (a) It is the intent of the Legislature to ensure that
4 the state, through the authority, may make maximum, efficient use
5 of capital access programs enacted by all federal and state agencies,
6 as well as funding available from any governmental program whose
7 goals may be advanced by providing funding to the Capital Access
8 Loan Program. ~~In~~

9 (b) ~~In~~ furtherance of this intent, and ~~notwithstanding~~
10 ~~notwithstanding~~ any other provision of this article, when the
11 contributions required pursuant to ~~subdivision (c) of~~ Section
12 44559.4 are entirely funded by a source other than the authority,
13 the authority may, by regulation adopted pursuant to subdivision
14 (b) of Section 44520, establish alternate provisions as necessary
15 to enable the authority to participate in the alternative funding
16 source program.

17 ~~SECTION 1. Section 44559.10 is added to the Health and~~
18 ~~Safety Code, to read:~~

19 ~~44559.10. (a) Notwithstanding any other provision of this~~
20 ~~article~~

21 *SEC. 2. Section 44559.12 is added to the Health and Safety*
22 *Code, to read:*

23 44559.12. (a) Consistent with subdivision (b) of Section
24 44559.11, the authority may establish loss reserve accounts for
25 the purposes of *financing* terminal rental adjustment clause leasing,
26 if funds are available for contribution into the loss reserve account
27 from any source other than the authority. The authority shall not
28 contribute any funds into a loss reserve account created pursuant
29 to this section. *Funds provided by the federal government for the*
30 *purposes of providing a loan loss reserve program shall not be*
31 *contributed to an account created pursuant to this section.*

32 (b) The executive director may establish conditions for terminal
33 rental adjustment clause leasing loss reserve accounts created
34 pursuant to this section.

1 (c) As used in this section, “terminal rental adjustment clause”
2 means “terminal rental adjustment clause” as defined in Section
3 7701(h)(3) of Title 26 of the United States Code.

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